STATEMENT AND Q&A REGARDING NHTSA ENGINEERING ANALYSIS ON SEQUOIA VEHICLE STABILITY CONTROL SYSTEM

(04-13-09 v7)

Statement:

The National Highway Traffic Safety Administration (NHTSA) had initially received fifty consumer complaints alleging incidents of unexpected activation of the Vehicle Stability Control system (referred to as the Electronic Stability Control system by NHTSA) on certain 2003 Model Year Toyota Sequoia vehicles. Based upon these initial reports, NHTSA opened an investigation called a Preliminary Evaluation (PE) on December 16, 2008. A Preliminary Evaluation is an early-stage inquiry to determine if further analysis (an Engineering Analysis) is warranted.

Toyota submitted a partial response to the PE on February 24th and the remaining portions on March 24th. On April 8th, In order to further study the phenomenon, NHTSA has upgraded its investigation to an Engineering Analysis. This is not a recall. Toyota is cooperating fully with the agency in its efforts to investigate the allegations.

Q1: When did NHTSA begin its investigation of the reported cases?

A1: NHTSA opened the investigation on December 16th. Toyota received the Preliminary Evaluation Opening Resume on December 18th and the Information Request letter on January 5th. Toyota is cooperating fully with the agency in its efforts to investigate these allegations received by NHTSA.

Q2: What prompted NHTSA to investigate this issue?

A2: At that time, NHTSA had received fifty consumer complaints alleging incidents of unexpected activation of the Vehicle Stability Control system in certain 2003 model year Toyota Sequoia vehicles. However, NHTSA is investigating 2003 through 2005 model year Sequoia vehicles which share the same platform. In addition, NHTSA included an additional fourteen consumer complaints when they upgraded the investigation to an Engineering Analysis.

Q3: What seems to be the source of the problem?

A3: Toyota is currently in the process of conducting its investigation. It would be premature to comment until the investigation has been completed. Toyota is cooperating fully with the agency to investigate the allegations.

Q4: Are these sixty four complaints the only vehicles you are aware of that have experienced this problem?

A4: At this time, our focus is on the sixty four complaints received by NHTSA. Our investigation should tell us if there are any other complaints related to the allegations. We remain confident in the safety of these vehicles, but if a customer experiences unexpected activation of the Vehicle Stability Control system, they should visit their local dealer for inspection, and if necessary repair.

Q5: Is this a recall?

A5: No. This is not a recall, but an Engineering Analysis. An Engineering Analysis is the second stage of a defect investigation, following a Preliminary Evaluation of a possible defect. NHTSA moves to an Engineering Analysis if it has additional concerns that are not resolved at the Preliminary Evaluation level. The Engineering Analysis ordinarily takes approximately one

year, and involves a more intensive review of data, engineering information, consumer complaints, peer vehicle comparisons, and other information.

Q6: Why is just this one model involved, is this the only model that has the Vehicle Stability Control system?

A6: Some other Toyota models are also equipped with Vehicle Stability Control system. This is the only model identified in the Opening Resume from NHTSA with allegations of unexpected activation.

Q7: Have there been any cases of accidents?

A7: There were no accidents reported from the sixty four consumer complaints mentioned in the Opening Resume letter from NHTSA.

Q8: Have there been any cases of deaths or injuries?

A8: There were no deaths or injuries reported in the sixty four consumer complaints mentioned in the Opening Resume letter.

Q9: How many Sequoia vehicles has Toyota sold that are being investigated?

A9: There were approximately 68,000 model year 2003, 61,000 model year 2004 and 49,000 model year 2005 Sequoia vehicles manufactured for sale in the United States.

Q10: NHTSA references several Technical Service Bulletins in its Opening Resume. Are these Service Bulletins related to this condition?

A10: The Technical Service Bulletins (TSB's BR002-03, BR003-03 and BR006-06) are related to the Anti Lock Brake System or Vehicle Stability Control warning light on. The conditions described in the Technical Service Bulletins are all unique. Toyota is currently cooperating fully with NHTSA regarding the allegations and it would be premature to comment whether these TSB's are related to the condition in which sixty four customers reported to NHTSA.

Q11: What if customers have questions or safety concerns regarding this issue, should they go to their dealer?

A11: We remain confident in the safety of these vehicles, but if customers have any concerns at all they should feel free to contact our Toyota customer Experience Center at1-800-331-4331.